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Before The
FEDERAL COMMUNICATIONS COMMISSION
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Federal Communications Commission
Office of General Counsel

In the Matter of)
)
Amendment of the Commission's Rules)
Regarding Multiple Address Systems)
_____)

WT Docket No. 97-81

REPLY COMMENTS

Pursuant to Section 1.415 of the Commission's Rules, Sensus Technologies, Inc., by its undersigned attorneys, hereby provides the following response to the comments filed on the Commission's Notice of Proposed Rule Making in the above-referenced matter.¹ As Sensus discussed in its Comments, filed May 1, 1997, it manufactures and markets automatic meter-reading equipment which is designed to use unpaired frequencies in the 956 MHz band.² Sensus supports the Commission's proposal to assign the 928/952/956 MHz bands for private use and opposes geographic area licensing in these bands.

I. The 928/952/956 MHz Band Should Be Reserved for Private Use.

In the NPRM, the Commission recognized that the 928/952/956 MHz bands appear to be used overwhelmingly for private services, and concluded that

¹ Notice of Proposed Rule Making, FCC 97-58 (released Feb. 27, 1997) ("NPRM"). The time for filing reply comments was extended to May 16, 1997, by the Private Wireless Division's Order, DA 97-839 (released Apr. 18, 1997).

² See 47 C.F.R. § 101.147(b)(1).

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subscriber-based services should not continue to be licensed in the bands. NPRM, ¶¶ 12-13. These conclusions drew widespread support among the commenting parties.³ Many commenters also pointed out that there is a scarcity of available frequencies and significant demand for MAS systems for private uses.⁴ Accordingly, the record supports the Commission's tentative decision to preserve these bands for private use to ensure that as much spectrum as possible is available to meet the internal needs of utilities using MAS systems.

In their comments, Itron, Inc., and Radscan, Inc., recommend that the Commission should continue to license subscriber-based operations in the 928/952/956 MHz bands.⁵ Itron expresses concern that restricting the 928/952/956 MHz bands to private use would limit the ability of a utility to outsource its meter reading needs, and so, may limit competition.⁶ Radscan appears concerned that precluding subscriber-based services would preclude it from obtaining licenses for frequencies in the 928/952 MHz bands on which its equipment operates.⁷

³ See Comments of: Affiliated Am. Railroads, at 3; American Petroleum Institute, at 5; Cooperative Power Ass'n, at 3; GPM Gas Corp., at 5; Microwave Data Systems, at 7-8; UTC, at 16-18.

⁴ See Comments of: Itron, at 5; GPM Gas Corp., at 4; Radscan, at 12-13; GTECH, at 4; UTC, at 4-16.

⁵ See Comments of: Radscan, at 5-6; Itron, at 3.

⁶ Itron Comments, at 3.

⁷ Radscan points out that, unlike utilities, its customers are not the users of the radio frequencies; rather, Radscan offers an alarm monitoring service, and utilizes 928/952 MHz frequencies, and other technologies, to supply this service. Radscan Comments, at 2-4, 6-7. Thus, its recommendation to permit general licensing of subscriber-based services seems unnecessary to fulfill Radscan's goals.

The Commission should not modify its tentative conclusions based on these comments. First, restricting these bands to private use would not prevent a utility from outsourcing its meter reading or other internal communications needs to a third-party provider. If it holds the MAS license, the utility would have the flexibility to supply meter-reading services internally or by contract with a company such as Itron. As Sensus pointed out in its Comments, competition for meter reading services occurs primarily in the choice of system and equipment providers, as opposed to choice of service providers. Thus, the danger in licensing subscriber-based service providers in these bands is that a utility would be captive to one commercial provider of meter-reading equipment and services simply because that provider obtained access to scarce MAS spectrum in the 928/952/956 MHz bands.

Second, given the concerns regarding scarcity of MAS spectrum and speculative commercial applicants in the 928/952/956 MHz bands,⁸ continuing to license these frequencies for commercial purposes could make it even more difficult for utilities to obtain licenses for internal uses. The fact that the 928/952/956 MHz bands are heavily congested is not likely to end speculative applications. And, the demand on the 928/952/956 MHz band could be aggravated if the Commission determines to auction spectrum in the 932/941 and 928/959 MHz bands. Accordingly, Sensus strongly urges the Commission to adopt a private use restriction for the 928/952/956 MHz bands.

⁸ See Comments of: GPM Gas Corp., at 4; Black & Associates, at 5.

II. The Commission Should Not Use Geographic Licensing for the 928/952/956 MHz Band.

There was strong support for retaining site-by-site licensing for the 928/952/956 MHz bands.⁹ As many commenters pointed out, geographic licensing is not an efficient method of licensing these private service frequencies because the proposed "Economic Areas" do not necessarily correspond to existing service areas of water and other utilities that may need MAS systems. Moreover, use of geographic licensing may limit the number of new MAS systems for which there would be sufficient spectrum. The current site-by-site licensing plan allows licensees to tailor their spectrum proposals to fill their needs and, therefore, is an efficient use of spectrum.¹⁰

Radscan recommends a geographic licensing plan for subscriber-based operation in the 928/952/956 MHz band, in which only incumbent MAS licensees would be able to convert to EA licenses.¹¹ Radscan's proposal should not be adopted. First, Radscan's proposal is inconsistent with the efficient use of spectrum obtainable in the site-by-site licensing approach. Second, as Radscan concedes, it can increase its service areas by obtaining additional site licenses.¹²

⁹ See Comments of: UTC, at 27-28; Microwave Data Systems, at 8-9; Cooperative Power Ass'n, at 4-5; Itron, at 4; GTECH, at 6; Affiliated Am. Railroads, at 3-4.

¹⁰ See Itron Comments, at 4; Microwave Date Systems Comments, at 9.

¹¹ Radscan Comments, at 18.

¹² See Radscan Comments, at 20.

The burden of some increased administrative effort does not outweigh the benefits of more efficient spectrum usage through site-by-site licensing. Therefore, Radscan's approach should be rejected.

III. Mobile Master Stations Should Continue To Be Licensed in the 928/952/956 Bands.

The Commission requested comment on whether to permit licensees to provide fixed and mobile service on a co-primary basis in areas where geographic area licensing is adopted. NPRM, ¶ 42. The commenters do not appear to support mobile remote licensing in the 928/952/956 MHz bands, and Sensus agrees that mobile remote operations should not be permitted.¹³

However, Sensus recommends that the Commission consider Itron's proposal of permitting ancillary mobile operations under a license for a fixed master station.¹⁴ As long as mobile operations do not extend the fixed station's licensed service area, adopting this proposal would give licensees additional flexibility without adversely affecting the interference environment.

¹³ See, e.g., UTC Comments, at 27-28.

¹⁴ See Itron Comments, at 5-6.

IV. Conclusion

For the reasons set forth above, Sensus recommends that the 928/952/956 MHz bands be retained for private use and that the Commission continue to license these frequencies on a site-by-site basis. The Commission should also permit ancillary mobile master operations under a license for a fixed master station.

Respectfully submitted,

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Date: May 16, 1997